(b) The average price per tonne of aluminium in international market (London Metal Exchange Prices) for the year 2000-2001 was US $ 1444.05. With effect from 1.3.2002, the rate of basic customs duty on aluminium has been fixed at 15%.

(c) The aluminium (Secondary) Industry had requested for reduction in duty. The duty has been reduced with effect from 1.3.2002.

United India Insurance Company

536. SHRI C.M. IBRAHIM:
SHRI AIMADUDDIN AHMED KHAN (DURRU):

Will the Minister of FINANCE be pleased to state:

(a) whether Government have closed down the operations of United India Insurance Company in Hongkong;

(b) if so, reasons therefor, indicating the volume of Insurance business handled by the company in Hongkong;

(c) whether Government have reconsidered the decision in the context of entry of China into WTO; and

(d) whether Govt. have received any representation against such closure from the National Confederation of General Insurance Officers' Associations; and if so, the decision taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) The United India Insurance Company Ltd. has reported that the company has been incurring continuous losses during the last six years on their Agency operations in Hong Kong. As the business in Hong Kong has not been profitable, it has been decided by the Board of United India to close down the operations there.

The results of past three years' business are indicated in the following Table:-

(Rupees in Crores)

Details	1998-99	1999-2000	2000-01
Net Premium	35.90	36.02	72.80
Net Loss	10.87	22.69	21.98

(c) The United India has reported that with the entry of China into WTO fold, there would hardly be any change in the quality of portfolio underwritten by them as well as profitability of the Hong Kong operations.

(d) A representation from the National Confederation of General Insurance Officers' Association, Bangalore, was received. No new point has been raised in the representation to warrant reconsideration of the matter.

Recruitment in Banks

537. SHRI RAMA MUNI REDDY SIRIGIREDDY:
DR. Y. LAKSHMI PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Banking Service Commission is being wound up;

(b) if so, what are the reasons for decentralising the recruitment procedure in public sector banks and authorising each bank to recruit directly; and

(c) the circumstances under which the Banking Service Commission was created and what necessitated for dispensing its work?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) Banking Service Commission Act, 1984 envisaged setting up of Banking Service Commission for recruitment of officers for the Public Sector Banks (PSBs). However, the same has not been set up. Hitherto, the Banking Service Recruitment Boards (BSRBs) set up in the year 1978 were making recruitments to various posts for meeting the requirements of the public Sector Banks in Clerical / Officers' Cadre. With greater emphasis on computerisation and mechanisation and rapidly changing economic scenario, the requirement of the banks with regard to their manpower has declined and also undergone a change. Banks now require specialized officers more in number as compared to the past. Keeping in view the changed scenario, BSRBs have been closed down and banks have been advised to frame their own recruitment strategy with the approval of their boards to meet their future requirements. Banks have further been advised to ensure that recruitment policy is transparent, the process of selection is fair, just, objective and unbiased and takes care of the reservation policy for SC/ST/OBCs as per Government guidelines.